

Great year in 2017 – what next?

Gaurav Arora, CIO of ASK Wealth Advisors provides a sneak peek into 2018 – What to expect and what it means for investors eyeing the Indian markets.



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INDIAN EQUITIES HAVE HAD A PHENOMENAL bull run in 2017, so much so that it has sparked debate around valuations. Gaurav Arora, Chief Investment Officer of ASK Wealth Advisors feels that there is “little lag but eventually positive performance pick-ups even after substantial reform measures like demonetisation and GST.”

To an investor interested in long term value, Indian equities still have a lot to offer. As a wealth advisor, Arora feels that there are three asset classes which will offer value with a long term view. They are publicly listed equities, followed by alternative investments in the unlisted space especially in assets linked to technological evolution and strong brick-and-mortar companies. Finally, “a very selective and risk managed exposure to real estate assets through commercial yield products or affordable housing-like schemes” to complete the portfolio.

Notwithstanding the excellent returns from the Indian equity markets, he feels there is more to be offered to Indian investors. There needs to be more regulatory and platform support to enable “leveraged based products, quasi hedge fund like investments, commodity and currency exposure and domestic route vehicles to take global exposures.”

Stepping into 2018, Arora feels that markets will be slightly volatile for the first half of 2018 based on near term hurdles like state elections and crude oil price movements. “Even if we don’t end up making significant returns at index level, there is still a lot of value to earn mid-teens to early-twenties returns in bottoms up stock picking in equities.” ■